Remarks of

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Invitational Workshop

September 17, 2002

Tokyo, Japan

I would like to begin by congratulating JASIC on this annual workshop and on their overall efforts to work with governments, industry and other interested parties to promote global harmonization of motor vehicle safety and environmental regulations. Thank you for bringing me to Tokyo.

At the Safety Symposium early this afternoon, I outlined my highest priorities for motor vehicle safety in the United States and asked government and industry to join us in moving these initiatives forward. We need to work together because we are all affected by the rapid changes we are experiencing in our societies. We live in a global

community that is becoming more and more interconnected and interdependent, a global community that is witnessing an explosion of technological advances and innovations. Global mergers and global markets are creating the need for nations and companies to work more closely together.

The challenge for regulators is to find ways of keeping pace with these changes without impeding progress. The process of harmonization can be one way of doing this. As one country or region finds creative regulatory approaches to particular safety problems, other countries and regions can adopt those new best practices through harmonizing their standards. This makes it possible also to achieve safety improvements while reducing the costs of doing so.

Over the past several years, the governments of the EU, Japan, the U.S., along with other countries, have worked long and hard collectively to provide strong leadership in the area of international harmonization.

We all want "best practices" for our countries and we would like them, to the extent possible, harmonized with the rest of the world. The 1998 Global Agreement and the International Harmonized Research Activities (IHRA) provide opportunities to do just that. Much progress has been made under both. The 1998 Global Agreement has 21 Contracting Parties--- a tremendous accomplishment for a 4-year old Agreement.

The full potentials of the IHRA and the 1998 Agreement are yet to be realized in terms of benefits to governments, manufacturers and consumers, but their provisions are clear in their intent:

- —To enhance worldwide governmental awareness of and interest in opportunities for improving vehicle safety and environmental protection;
- —To promote adoption of effective global technical regulations by calling for those regulations to be based on analyses of scientific data;
 - —To ensure transparency and opportunities for participation for

industry and public in developing and establishing global technical regulations;

- —To preserve each Contracting Party's sovereignty and regulatory discretion to address particular local safety and environmental problems;
- —To seek to minimize costs of new regulations to manufacturers and consumers; and
- —To seek to leverage the limited resources that governments have through the implementation of coordinated research and testing.

My agency is committed to making the most of these opportunities under both the IHRA and the 1998 Global Agreement.

- --We are fully committed to continuing the activities of the IHRA in order to coordinate research activities and thus reduce divergence in the resulting regulations.
- --We are also fully committed to implementing the 1998

 Agreement work program that has been recently adopted by WP.29. We

will take the lead in several areas, including door locks and door retention components, child restraints, and head restraints. We will also be fully engaged in the exchange of views in the area of vehicle compatibility and side impact protection. We will work diligently to get the first regulations in the Registry of Global Technical Regulations within the next few years.

--This must be done according to NHTSA's policy on public participation. We need to ensure that the manufacturers and the public are given the opportunity to comment to us on the proposals and recommendations for establishing such global technical regulations.

In addition to the subjects in the work program, we will continue to review other countries' regulations and research and seriously consider harmonizing them, as often as we can as we make our nation's rules and regulations. This has been and will continue to be a NHTSA policy within our domestic rulemaking process. We will strengthen our opportunity to learn about other countries regulations by instituting

bilateral cooperative arrangements, such as we did this morning with our colleagues at MLIT.

"Beginning is easy—To stay on course in more difficult." Many challenges lie ahead of us in harmonization. Harmonization is not simply adopting existing regulations of the United Nations' Economic Commission for Europe. It requires all of us to work together to change our existing standards to reflect best practices. However, doing everything that needs to be done under both the 1998 Agreement and the IHRA will require substantial resources of money and time that are currently not available. That is a problem many of us share. We must set priorities and make choices about what to do first. Our choices will often reflect our particular safety needs, political situations and statutory schemes. This poses a challenge for harmonization, as we must all continue to meet our obligations under our respective laws.

"Harmonization" is very difficult to define and we all have our

own understanding of and approach to the concept.

For example, under the European Common Market approach, it may be vitally important to reach consensus on not only the same regulatory approach and ultimate vehicle design goals, but also exactly the same regulatory text, word-for-word, and methods of certification and approvals. This is important for the purpose of type-approving vehicles and mutually recognizing approvals among European countries. That is understandable and it is attainable among countries with similar regulatory, certification and regulatory systems.

During the last few years, I understand that Japan amended its laws to allow it to adopt the European Commission for Europe's regulations, if they are deemed appropriate for Japan, and to accept European countries' approvals for those regulations.

In the U.S., given our statutory requirements and the type of

certification and enforcement systems under which we are required to operate, following the example of the EU and Japan is more difficult.

Harmonization as we see it is looking for opportunities to reach agreement, to the extent possible, on the general regulatory approaches in specifying performance requirements, test devices and test procedures, and considering their adoption as appropriate under our statutes. Reaching agreements in Geneva does not alter our obligation under laws made by our Congress.

-- Each performance specification and test procedure in our domestic regulations is required by statute to be based on a safety need, be performance-oriented, be stated in objective terms, so that compliance can be determined through scientific measurement instead of subjective human judgment, and be practicable both technologically and economically.

Adherence to these requirements gives the manufacturers the flexibility in choosing means of compliance and gives the agency objective means to distinguish with certainty between complying and non-complying products.

Our efforts toward harmonization also do not diminish the need to meet our requirements to seek public input on proposed regulations.

Publishing notices, seeking and considering comments from all interested parties and giving them full consideration is an important part of our process of protecting the public and the industry. This public interaction often informs the agency on new technologies or issues that it has not considered or been aware.

In some instances, we may be able to meet our legal obligations with minor departures from the exact text of global technical regulations. In many other instances, we cannot. However, language differences do not necessarily preclude manufacturers from using the

same design solutions for meeting both the U.S. regulations and the global technical regulations. There will also be instances in which the safety and environmental needs on American roads will require the adoption of requirements and test procedures that make it necessary for manufacturers to use different design solutions.

Regardless, we expect that, as a result of the 1998 Agreement activities, regulations from around the world will be much more similar than they would have been without the efforts. This will greatly simplify the designing of motor vehicles and the introducing of new technologies without compromising safety and environmental protection.

The 1998 Agreement and the IHRA processes established by Japan, Europe, the U.S. and others are well thought out. The negotiators worked long and hard to develop processes that are consistent with the different regulatory schemes that exist around the world. As we gain

experience with these processes, it will become easier to address all the potential obstacles.

As we proceed with the implementation of these processes, I would like to emphasize that governments cannot and should not be expected to do it alone. It is true that regulatory agencies have historically had primarily a domestic outlook and must respond to the global market by finding effective ways of cooperating and coordinating. However, the implementation of the processes must be a shared responsibility among all interested parties.

- -- Industry understands very well the regulatory systems of world economies because it operates in a world economy.
- -- Industry is in the best position to demonstrate which nonharmonized technical requirements impose unnecessary burdens and costs
- -- Industry is also in the best position to provide the required technical justification for changing any existing burdensome

requirements that have no bearing on safety.

I call on the industry to come together and fully participate, not simply by making recommendations for results, but by providing technical solutions and justifications that are consistent with all regulatory systems.

In closing, I would like to reiterate the importance of continuing to work closely together to give the harmonization processes a chance to mature and succeed. I challenge all of us to be visionary, but also to be patient and creative in finding solutions. International harmonization is a long, and often challenging road. However, "No road is too long in the company of a friend." We look forward to a fruitful outcome.

Thank you for the opportunity to speak to you today.

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